

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

SMALL BUSINESS TERM LOANS, INC.)	
D/B/A BFS CAPITAL)	
)	
<i>Plaintiff</i>)	
)	C.A. No. _____
v.)	
)	
ABC DISPOSAL SERVICE, INC.,)	
NEW BEDFORD WASTE SERVICES, LLC,)	
MICHAEL A. CAMARA, KENNETH J.)	
CAMARA and STEVEN A. CAMARA)	
)	
<i>Defendants.</i>)	

COMPLAINT

1. This is an action for breach of two promissory notes, with total outstanding balances in excess of \$1.5 million. The corporate Defendants have defaulted on the promissory notes and have not taken any corrective action despite Plaintiff's inquiries concerning their defaults. Plaintiff also seeks to collect on the individual Defendants' personal, unconditional guarantees of the promissory notes. Plaintiff seeks judgment against all Defendants in the amount outstanding on each of the promissory notes, plus interest, attorneys' fees, costs and other appropriate relief.

PARTIES

2. Plaintiff Small Business Term Loans, Inc., d/b/a BFS Capital ("BFS Capital") is a North Carolina corporation with a principal place of business at 3301 North University Drive, Coral Springs, Florida. BFS is the holder of the promissory notes at issue in this lawsuit.

3. Defendants ABC Disposal Service, Inc. ("ABC Disposal") and New Bedford Waste Services, LLC ("New Bedford Waste Services") (collectively, "the Companies") are

Massachusetts corporations, each with a principal place of business at 1245 Shawmut Avenue, New Bedford, Massachusetts.

4. Defendant Michael A. Camara is a Massachusetts citizen who resides at 2 Hitching Post Road, Lakeville, Massachusetts. He is the President of ABC Disposal and New Bedford Waste Services and a guarantor of the promissory notes.

5. Defendant Kenneth J. Camara is a Massachusetts citizen who resides at 246 Clifford Street, New Bedford, Massachusetts. He is the Vice President of ABC Disposal and New Bedford Waste Services and a guarantor of the promissory notes.

6. Defendant Steven A. Camara is a Massachusetts citizen who resides at 1044 Forbes Street, New Bedford, Massachusetts. He is a Vice President of ABC Disposal and a guarantor of ABC Disposal's promissory note. Michael, Kenneth and Steven Camara are sometimes referred to collectively herein as "the Guarantors."

JURISDICTION AND VENUE

7. Jurisdiction in this Court is proper pursuant to 28 U.S.C. § 1332(a). Plaintiff and Defendants are citizens of different states, and the amount in controversy exceeds the sum of \$75,000.

8. Venue in this district is proper as all Defendants are residents of Massachusetts.

FACTS

9. On or about December 4, 2015, Defendants ABC Disposal and New Bedford Waste Services entered into certain loans with BofI Federal Bank ("the Bank"), pursuant to which ABC Disposal borrowed a principal amount of \$1,250,000.00 and New Bedford Waste Services borrowed a principal amount of \$700,000.00. Each of the loans was memorialized by a Secured Promissory Note (collectively "the Promissory Notes"). True and accurate copies of the

Promissory Notes are attached hereto as Exhibits A and B. Defendants Michael Camara, Kenneth Camara and Steven Camara signed unconditional guarantees of the loan to ABC Disposal, and Defendants Michael Camara and Kenneth Camara signed unconditional guarantees of the loan to New Bedford Waste Services.

10. The Bank is based in California, and California law applies to establish permissible rates of interest on the loans.

11. On or about December 7, 2015, the Bank sold and assigned all of its rights, title and interest in the Promissory Notes to Plaintiff BFS Capital. A copy of each bill of sale is appended to each of the Promissory Notes. BFS Capital is now the “Holder” of each of the Promissory Notes.

12. The Promissory Notes provide for daily payments through ACH transfers to be initiated by the Holder. ACH transfers were processed by ABC Disposal’s and New Bedford Waste Services’ bank from December 8, 2015 through February 9, 2016. BFS Capital’s attempts to initiate the required ACH transfers after February 9, 2016 were rejected by the Companies’ bank. No payments have been received from ABC Disposal or New Bedford Waste Services since that time.

13. On or about February 11, 2016, Alex Nelsas of BFS Capital emailed Michael Camara, asking Mr. Camara to call him and stating that the matter was urgent.

14. On or about February 12, 2016, Michael Camara responded to Mr. Nelsas’ email, stating: “Will be meeting with our banks next week I’ll get back to you then.” Mr. Camara never did get back to Mr. Nelsas.

15. The failures of ABC Disposal and New Bedford Waste Services to make the required payments constitute Events of Default under Section 8(i) of the Promissory Notes.

16. By virtue of paragraph 9(a) of the Promissory Notes, ABC Disposal and New Bedford Waste Services granted the Holder a security interest in the collateral. Collateral is defined in the promissory notes to “consist of all of the tangible and/or intangible personal property of” ABC Disposal and New Bedford Waste Services, respectively.

17. Paragraph 9(d) of the Promissory Notes entitles BFS Capital to “exercise all rights of a secured party under the UCC” as a result of ABC Disposal’s and New Bedford Waste Services’ Events of Default, as defined in Paragraph 8 of the Promissory Notes.

18. Pursuant to paragraphs 18 and 20 of the Promissory Notes, the Companies and the Guarantors waived presentment and demand.

19. Pursuant to paragraph 23 of the Promissory Notes, the Companies are obligated to pay BFS Capital “any and all expense, including, but not limited, to, collection costs, all attorneys’ fees and expenses, and all other expenses which may be expended by Holder to obtain or enforce payment of Obligations either as against Company or any guarantor or surety of Company”

COUNT I

(Breach of Contract Against ABC Disposal Services)

20. BFS Capital repeats and realleges the allegations set forth in paragraphs 1-19 as if fully set forth herein.

21. As a result of its failure to make the required payments to BFS Capital under its note, ABC Disposal Services is liable to BFS Capital in the full amount of the unpaid balance of the note, plus interest, late fees, attorneys’ fees and other charges, fees, expenses and costs of collection.

COUNT II

(Breach of Contract Against New Bedford Waste Services)

22. BFS Capital repeats and realleges the allegations set forth in paragraphs 1-21 as if fully set forth herein.

23. As a result of its failure to make the required payments to BFS Capital under its note, New Bedford Waste Services is liable to BFS Capital in the full amount of the unpaid balance of the note, plus interest, late fees, attorneys' fees and other charges, fees, expenses and costs of collection.

COUNT III

(Against the Guarantors)

24. BFS Capital repeats and realleges the allegations set forth in paragraphs 1-23 as if fully set forth herein.

25. Pursuant to paragraph 19 of the Promissory Notes, each of the Guarantors "unconditionally guarantee[d] the full and punctual payment of the Repayment Amount, and the full and punctual payment of all other amounts payable by the Compan[ies] under" the promissory notes. The paragraph further provides that, upon failure of the Companies to pay such amount, Guarantors shall pay the amounts not paid; that their obligations to do so shall be unconditional and absolute; and that they irrevocably waive presentment and demand.

26. By virtue of their having signed the guarantees, the Guarantors are jointly and severally liable to BFS Capital for the unpaid balance of the promissory notes that they have guaranteed, plus interest, late fees, attorneys' fees, and other charges, fees, expenses and costs of collection.

PRAYERS FOR RELIEF

WHEREFORE, BFS Capital respectfully requests that this Honorable Court:

1. Enter judgment in favor of BFS Capital against ABC Disposal Service for the full amount of the unpaid balance of its promissory note, plus interest, late fees, attorneys' fees, and other charges, fees, expenses and costs of collection;

2. Enter judgment in favor of BFS Capital against New Bedford Waste Services for the full amount of the unpaid balance of its promissory note, plus interest, late fees, attorneys' fees, and other charges, fees, expenses and costs of collection;

3. Enter judgment in favor of BFS Capital against Defendants Michael A. Camara, Kenneth J. Camara and Steven A. Camara on their unconditional guarantees for the full amount of the unpaid balance of the promissory note of ABC Disposal Service, plus interest, late fees, attorneys' fees, and other charges, fees, expenses and costs of collection;

4. Enter judgment in favor of BFS Capital against Defendants Michael A. Camara and Kenneth J. Camara on their unconditional guarantees for the full amount of the unpaid balance of the promissory note of New Bedford Waste Service, plus interest, late fees, attorneys' fees, and other charges, fees, expenses and costs of collection;

5. Order defendants to pay BFS Capital's costs in connection with this litigation;

6. Award such provisional relief as may be appropriate to secure any potential judgment in this case; and

7. Award such other and further relief as the Court deems just and appropriate.

SMALL BUSINESS TERM LOANS, INC.,
D/B/A BFS CAPITAL, INC.
By its attorneys,

Date: March 3, 2016

/s/ Donald R. Frederico

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